

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 164

S.P. 78

In Senate, February 3, 1987

Reference to the Committee on Banking and Insurance suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate  
Presented by President PRAY of Penobscot.

Cosponsored by Speaker MARTIN of Eagle Lake,  
Representative JOSEPH of Waterville.

STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-SEVEN

1 AN ACT to Establish a Fluctuating Credit Card  
2 Charge Relative to the Prime Rate.  
3

4 Be it enacted by the People of the State of Maine as  
5 follows:

6 9-A MRSA §2-402, sub-§5 is enacted to read:

7 5. Notwithstanding this section, the finance  
8 charge may not exceed an interest rate equal to 6  
9 percentage points above the index rate.

10 A. The Superintendent of Banking shall determine  
11 the index rate, as of the computation dates of  
12 December 1st, March 1st, June 1st and September  
13 1st or on the business day following, for the  
14 succeeding calendar quarter beginning January  
15 1st, April 1st, July 1st and October 1st.

1           B. The superintendent shall determine the index  
2 rate by doubling the average of the rates estab-  
3 lished and announced, as the auction average on a  
4 discount basis, for United States Treasury bills  
5 with maturities of 91 days at the auctions held  
6 during the 3 calendar months preceding the compu-  
7 tation date.

8   **STATEMENT OF FACT**

9           This bill limits the interest which may be  
10 charged on slender credit cards.

11   1963012187